GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1552
ANSWERED ON:09.03.2007
WAIVING OFF AGRICULTURAL LOAN .
Channappa Shri Kunnur Manjunath

Will the Minister of FINANCE be pleased to state:

(a) whether thsre is any proposal or plan to waive off the agricultural loans raised by the farmers of the country through Nationalised Banks;

(b) if not, the reasons therefor; and

(c) the amount: of agricultural loan outstanding due by the farmers in various Nationalised Banks so far, State-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (c) : No, Sir. However, on 18.06.2004 Government announced a Farm Credit Package which envisaged debt relief to farmers by way of reschedulement of loans with a moratorium. period and `One Time Settlement scheme for small and marginal farmers. The fanners availing the benefit of the debt relief were eligible for fresh loans from the banks. Further, in 31 debt stressed districts in the four states of Maharashtra(06), Andhra Pradesh (16), Kar aataka(06) and Kerala(03) the relief package announced for farmers does not envisage waiver of principal amount. It provides that the entire interest on overdue loans as on 01.07.2006 will be waived and these overdue loans will be rescheduled over a period of 3-5 years with a one year moratorium. This restructuring will immediately riake these farmers eligible for fresh loams from the banking system. State-wise details are at Annexure.